

United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Box 26124 Albuquerque, New Mexico 87125

December 17, 1980

Governor Harry Early Pueblo of Laguna P. O. Box 194 Laguna, New Mexico 87026 **Confidential Claim Retracted**

Authorized by:

Dear Governor Early:

In June 1979, Anaconda Copper Company proposed modification of the approved P-10 and P-15/17 Mines to allow recovery of a portion of the P-15/17 ore reserves from the P-10 workings. The Geological Survey approved this modification but the Pueblo of Laguna has not. In August 1980, Anaconda proposed the NJ-45 and P-13 Mines for the underground mining of ore reserves that can no longer be economically recovered by open pit methods. These proposed mines are pending approval by the Pueblo of Laguna and the Geological Survey. The ongoing preparation of a reclamation plan for the Jackpile-Paguate Mine has prompted our review of the status of these three proposals.

We do not believe that the modification of the P-10 and P-15/17 Mines is an urgent consideration because recovery of the ore reserves involved is not solely dependent on the P-10 Mine. Anaconda's approved mining plan for the P-15/17 ore reserves indicates that these reserves (1,112,310 tons at 0.23 percent U308) will support an independent mining operation under favorable economic conditions.

We believe that the NJ-45 and P-13 ore reserves have more limited economic potential and, therefore, warrant careful consideration. The NJ-45 and P-13 ore reserves (251,000 tons at 0.20 percent U308 and 221,200 tons at 0.22 percent U30g respectively) may or may not support independent mining operations depending on economics and the affect of open pit reclamation on access to the ore zones. Bypassing these ore reserves prior to reclamation could result in a waste of natural resources and a permanent loss of royalty income to the Pueblo of Laguna. Furthermore, the Geological Survey's approval of the NJ-45 and P-13 Mines will require some type of environmental documentation. Due to the anticipated

increase in workload during the preparation of the reclamation plan for the Jackpile-Paguate Mine, we would prefer to avoid this documentation if the Pueblo of Laguna has no desire for development of the NJ-45 and P-13 Mines.

We would greatly appreciate your advice and guidance on the wishes of the Pueblo in regards to the NJ-45 and P-13 proposals. If you desire, we would be happy to discuss the proposals with you and/or your Council.

Sincerely yours,

Dale C. Jones Mining Engineer

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